VZCZCXRO5253 RR RUEHCHI RUEHDT RUEHHM RUEHNH DE RUEHGP #1667/01 1440618 ZNR UUUUU ZZH R 240618Z MAY 06 FM AMEMBASSY SINGAPORE TO RUEHC/SECSTATE WASHDC 9990 INFO RUCNASE/ASEAN MEMBER COLLECTIVE

UNCLAS SECTION 01 OF 02 SINGAPORE 001667

SIPDIS

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: ECON PGOV PHUM SN SUBJECT: PM LEE MAKES MINOR CHANGES TO GOS CABINET

REF: A. SINGAPORE 1379 ¶B. SINGAPORE 1326 ¶C. SINGAPORE 1289

11. (U) Summary: Prime Minister Lee Hsien Loong announced minor changes to his cabinet on May 22. The only ministerial change involves Minister for Transport Yeo Cheow Tong, who will be stepping down; his replacement will be Raymond Lim, currently Minister in the Prime Minister's Office. Five new MPs will be appointed to junior positions in the cabinet. Other ministers have shuffled their secondary portfolios, likely in anticipation of further moves mid-term. The current cabinet line-up is in paragraph 7. End Summary.

One Ministerial Change ______

12. (U) Two weeks after winning his first election as Prime Minister, PM Lee Hsien Loong named a new cabinet that reportedly reflects his priorities for the next term: education, foreign affairs, and youth matters. President S.

1R. Nathan will swear in PM Lee and the new cabinet on May 30. In the only ministerial change, Raymond Lim will take over as Minister of Transport from Yeo Cheow Tong, who is stepping down. This will be the first time that Lim has headed his own ministry. He will retain his position as Second Minister for Foreign Affairs, but will drop the positions of Second Minister for Finance and Minister in the Prime Minister's Office.

Possible Mid-Term Moves

- $\underline{\mathbb{1}}$ 3. (U) Tharman Shanmugaratnam will remain Minister for Education, but will replace Mr. Lim as Second Finance Minister, assisting PM Lee who will continue as Finance Minister. Shanmugaratnam is a likely candidate for Finance Minister in the future. He has a strong financial background, having been managing director for the Monetary Authority of Singapore (MAS), the country's central bank, before leaving MAS in 2001 to run for parliament.
- 14. (U) Minister for Community Development, Youth and Sports, Vivian Balakrishnan, will also become Second Minister for Information, Communications and the Arts (MICA), dropping his position as Second Minister for Trade and Industry. The current MICA Minister, Dr. Lee Boon Yang, had asked to retire, but PM Lee persuaded him to stay until mid-term so that his successor could be groomed. Balakrishnan will likely assume the position of Minister for MICA mid-term when Dr. Lee Boon Yang steps down.

New MPs Taking Up Appointments -----

15. (U) The PM named five newly elected MPs to junior positions in the cabinet. Ms. Grace Fu will become Minister of State for National Development; Mr. Lee Yi Shyan will

become Minister of State for Trade and Industry; and Rear Admiral Lui Tuck Yew (former Chief of the Navy) will become Minister of State for Education. Mr. Teo Ser Luck will become Parliamentary Secretary in the Ministry for Community Development, Youth and Sports, and Mr. Masagos Zulkifly will become Senior Parliamentary Secretary in the Ministry of Education.

Comment

16. (SBU) This minor reshuffle leaves in place the tried-and-tested older generation. Some of them, such as Deputy PM Jayakumar, are expected to retire before the next election. The reshuffle also gives three of the cabinet's rising stars -- Tharman Shanmugaratnam, Vivian Balakrishnan, and Raymond Lim -- the chance to demonstrate if they can perform well in new areas. It will be in keeping with past practice if the Prime Minister undertakes a larger reshuffle within two or three years in order to assign those who succeed in their new jobs to positions of greater responsibility. The appointments of the five new MPs signal that the PAP has identified them as the candidates for the follow-on generation of rising leaders.

Singapore Cabinet as of May 30, 2006

17. (U)

Lee Hsien Loong - Prime Minister, Minister for Finance

Goh Chok Tong - Senior Minister

Lee Kuan Yew - Minister Mentor

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Prof. S. Jayakumar - Deputy Prime Minister, Minister for Law, Co-ordinating Minister for Security and Defence at PM's Office

Wong Kan Seng - Deputy Prime Minister, Minister for Home Affairs

George Yeo Yong-Boon - Minister for Foreign Affairs

 $\operatorname{Dr.}$ Lee Boon Yang - Minister for Information, Communications and the Arts

Mah Bow Tan - Minister for National Development

Lim Boon Heng - Minister for Prime Minister's Office

Lim Hng Kiang - Minister for Trade and Industry

Teo Chee Hean - Minister for Defence

Lim Swee Say - Minister for Prime Minister's Office

Assoc. Prof. Yaacob Ibrahim - Minister for Environment and Water Resources, Minister-in-Charge of Muslim Affairs

Khaw Boon Wan - Minister for Health

Tharman Shanmugaratnam - Minister for Education, Second Minister for Finance

Dr. Ng Eng Hen - Minister for Manpower, Second Minister for Defence

Dr. Vivian Balakrishnan - Minister for Community Development, Youth and Sports, Second Minister for Information, Communications and the Arts

Raymond Lim Siang Keat - Minister for Transport, Second Minister for Foreign Affairs HERBOLD